

_____ BILL NO. _____

INTRODUCED BY _____
(Primary Sponsor)

BY REQUEST OF THE COMMISSIONER OF POLITICAL PRACTICES

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING FOR CIVIL PENALTIES TO BE IMPOSED FOR DELAYS IN FILING CERTAIN CAMPAIGN FINANCE REPORTS; ALLOWING FOR AN INFORMAL CONTESTED CASE HEARING REGARDING THE IMPOSITION OF A PENALTY; ALLOWING FOR THE SUSPENSION OF A PENALTY IMPOSED FOR FAILURE TO TIMELY FILE CAMPAIGN FINANCE REPORTS; AND AMENDING SECTION 13-37-226, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Civil penalties for delays in filing -- option for hearing -- suspension of penalty. (1) In addition to any other penalties or remedies established by this chapter, a person who fails to file a report within the time required by this chapter is subject to a civil penalty of \$50 for each working day that the report is late until the report is filed or until the penalties reach a maximum of \$2,000 for each late report.

(2) A person against whom a civil penalty is imposed pursuant to subsection (1) may request, within 10 days of receiving a notice of imposition of a civil penalty, a hearing before the commissioner. Upon receipt of a timely request, the commissioner shall hold an informal contested case hearing as provided in Title 2, chapter 4, part 6. Upon the filing of a timely request for a hearing, the imposition of the daily civil penalty provided for in this section must be suspended until the commissioner issues a decision. At the hearing, the commissioner shall consider any factors or circumstances in mitigation and may reduce or waive the civil penalty.

(3) All civil penalties imposed pursuant to this section must be deposited in the state general fund.

Section 2. Section 13-37-226, MCA, is amended to read:

"13-37-226. Time for filing reports -- penalty. (1) Candidates for a state office filled by a statewide vote of all the electors of Montana and political committees that are organized to support or oppose a particular statewide candidate shall file reports:

(a) quarterly, due on the fifth day following a calendar quarter, beginning with the calendar quarter in

1 which funds are received or expended during the year or years prior to the election year that the candidate
2 expects to be on the ballot;

3 (b) on the 10th day of March and September in each year that an election is to be held and on the 15th
4 and 5th days preceding the date on which an election is held and within 24 hours after receiving a contribution
5 of \$200 or more if received between the 10th day before the election and the day of the election;

6 (c) not more than 20 days after the date of the election; and

7 (d) on the 10th day of March and September of each year following an election until the candidate or
8 political committee files a closing report as specified in 13-37-228(3).

9 (2) Political committees organized to support or oppose a particular statewide ballot issue shall file
10 reports:

11 (a) quarterly, due on the fifth day following a calendar quarter, beginning with the calendar quarter in
12 which the text of the proposed measure is submitted for review and approval pursuant to 13-27-202 during the
13 year or years prior to the election year that an issue is or is expected to be on the ballot;

14 (b) on the 10th day of March and on the 10th day of each subsequent month through September;

15 (c) on the 15th and 5th days preceding the date on which an election is held;

16 (d) within 24 hours after receiving a contribution of \$500 or more if received between the 10th day before
17 the election and the day of the election;

18 (e) within 20 days after the election; and

19 (f) on the 10th day of March and September of each year following an election until the political
20 committee files a closing report as specified in 13-37-228(3).

21 (3) Candidates for a state district office, including but not limited to candidates for the legislature, the
22 public service commission, or a district court judge, and political committees that are specifically organized to
23 support or oppose a particular state district candidate or issue shall file reports:

24 (a) on the 12th day preceding the date on which an election is held and within 48 hours after receiving
25 a contribution of \$100 or more if received between the 17th day before the election and the day of the election.

26 The report under this subsection (3)(a) may be made by mail or by electronic communication to the clerk and
27 recorder and the commissioner of political practices.

28 (b) not more than 20 days after the date of the election; and

29 (c) whenever a candidate or political committee files a closing report as specified in 13-37-228(3).

30 (4) Candidates for any other public office and political committees that are specifically organized to

1 support or oppose a particular local issue shall file the reports specified in subsection (3) only if the total amount
2 of contributions received or the total amount of funds expended for all elections in a campaign, excluding the filing
3 fee paid by the candidate, exceeds \$500, except as provided in 13-37-206.

4 (5) For the purposes of this subsection, a committee that is not specifically organized to support or
5 oppose a particular candidate or ballot issue and that receives contributions and makes expenditures in
6 conjunction with an election is an independent committee. For the purpose of reporting, a political party committee
7 is an independent committee. An independent committee shall file:

8 (a) a report on the 12th day preceding the date of an election in which it participates by making an
9 expenditure;

10 (b) a report not more than 20 days after the date of the election in which it participates by making an
11 expenditure; and

12 (c) a report on a date to be prescribed by the commissioner for a closing report at the close of each
13 calendar year.

14 (6) The commissioner may promulgate rules regarding the extent to which organizations that are
15 incidental political committees shall report their politically related activities in accordance with this chapter.

16 (7) (a) All reports required by this section must be complete as of the fifth day before the date of filing
17 as specified in 13-37-228(2) and this section.

18 (b) A person who is responsible to file a report required by this section but who fails to file the report in
19 a timely manner is subject to the penalty provisions of [section 1]."

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21 **NEW SECTION. Section 3. Codification instruction.** [Section 1] is intended to be codified as an
22 integral part of Title 13, chapter 37, part 2, and the provisions of Title 13, chapter 37, part 2, apply to [section 1].

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